



Legislative Bulletin.....September 15, 2011

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H.R. 2587 - Protecting Jobs From Government Interference Act

H.R. 2587 - Protecting Jobs From Government Interference Act (Scott, R-SC)

Order of Business: The legislation is scheduled to be considered on Thursday, September 15, 2011, under a closed rule, [H.Res. 372](#). The rule provides for one hour of debate equally divided between the Chairman and ranking minority member of the Committee on Education and the Workforce. The rule also provides for one motion to recommit with or without instructions.

Summary: H.R. 2587 would amend the National Labor Relations Act to state that the National Labor Relations Board (NLRB) does not have the ability to order an employer to relocate or restore: “any work, product, production line, or equipment, to rescind any relocation, transfer, subcontracting, outsourcing, or other change regarding the location, entity, or persons who shall be engaged in production or other business operations, or to require any employer to make an initial or additional investment at a particular plant, facility, or location.”

The legislation would effectively prevent the NLRB from restricting where an employer can locate.

Additional Information: The NLRB has filed a complaint against Boeing as a result of claims from the International Association of Machinists. The NLRB claims that in 2009, Boeing threatened union employees in Washington that the company would relocate work because of strikes. Current law forbids employers from discriminating or retaliating against employees for lawful union activity.

Therefore, the NLRB alleges that Boeing engaged in unfair labor practices when it built its \$750 million plant in North Charleston, S.C., rather than assigning the work to its existing unionized 787 Dreamliner factory in Washington. They are seeking to require Boeing to relocate the S.C. based second line of 787 Dreamliner aircraft assembly production to the state of Washington.

According to the NLRB, Boeing’s decision to build a plant in South Carolina was a “transfer” of work because Boeing could have expanded its unionized facility in Washington, but chose not to. The plant in Washington has added 2,000 jobs since Boeing’s decision was made to open a plant in S.C., so there is clearly not a “transfer” of work. The NLRB is using public comments by Boeing executives as evidence in their case, however Boeing’s comments are truthful statements of economic realities. Boeing executives have previously stated they built the plant in South Carolina

to avoid production delays caused by strikes, which conservatives claim is a lawful business decision.

Workers at the new S.C. plant are not unionized, and the plant officially opened on July 14, 2011. Boeing says it built this plant in S.C. because the machinist union strikes caused disruptions with workflow and productivity. The S.C. site will employ over 1,000 workers once it is at full capacity, and will produce 3 planes per month (compared to 7 planes per month at the WA facility). The NLRB's claim was filed in April of 2011.

The NLRB is pursuing a "restoration order" against Boeing. This would essentially shut down production of the 787 Dreamliner and would mandate that that work be moved to the plant located in Washington state. H.R. 2587 would effectively prevent the NLRB from restricting where an employer can create jobs in the United States.

The NLRB is composed of five Members appointed by the President, subject to Senate confirmation. The term of one Member expires each year. There are currently two nominations pending before the Senate. The Supreme Court has ruled that the NLRB must meet a 3-Member quorum. The NLRB currently has 3 Members, and 2 pending nominations with the U.S. Senate.

Committee Action: H.R. 2587 was introduced on July 19, 2011, and referred to the House Committee on Education and Labor. A full committee markup was held on July 21, 2011, and the legislation was approved by a [roll call vote of 23-16](#).

Outside Groups: The following groups are scoring H.R. 2587 as a key vote:

1. Associated Builders and Contractors
2. Americans for Prosperity
3. American Hotel and Lodging Association
4. Club for Growth
5. Competitive Enterprise Institute
6. Council for Citizens Against Government Waste (CCAGW)
7. FreedomWorks
8. Heritage Action for America
9. National Association of Manufacturers
10. National Association of Wholesaler-Distributors
11. National Retail Federation
12. National Taxpayers Union
13. U.S. Chamber of Commerce

Additionally, the following outside groups are supporting passage of H.R. 2587:

1. American Hotel and Lodging Association
2. Americans for Limited Government
3. Alliance for Worker Freedom
4. Associated Builders and Contractors
5. Business Coalition for Fair Competition
6. Coalition for a Democratic Workplace (Letter from their Executive Director)
7. Coalition for a Democratic Workplace (Letter from their members; about 230 signatures)
8. HR Policy Association

9. National Association of Manufacturers
10. National Council of Chain Restaurants
11. National Retail Federation
12. National Roofing Contractors Association
13. Printing Industries of America
14. Retail Industry Leaders Association
15. U.S. Chamber of Commerce
16. Workforce Fairness Institute

All letters/vote alerts are available upon request.

Administration Position: No Statement of Administration Policy (SAP) is provided.

Cost to Taxpayers: CBO estimates that enacting H.R. 2587 would not affect federal spending or revenues. CBO's report can be [viewed here](#).

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: According to [House Report 112-179](#), H.R. 2587 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of House Rule XXI.

Constitutional Authority: Rep. Scott's [statement on constitutional authority](#) states: "Congress has the power to enact this legislation pursuant to the following: Article I, section 8 of the Constitution of the United States."

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